

# Tribal Leadership: Leveraging Natural Groups To Build Organizations That Thrive

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Synopsis by Rod Cox

*"People always form tribes, and the dominant cultural stage (of the tribe) determines effectiveness. The way to move the entire tribe's performance to the next level is to move the critical mass to the next stage. This process involves moving many people upward, individually, by facilitating them to use a different language, and to shift their behavior accordingly. As that happens, the tribe itself will produce a new, self-sustaining culture."*

*"Each person in this tribe is on a journey through the stages, and the tribe makes that journey long or short. The job (of) a Tribal Leader is to expedite this journey for each person, so that a new critical mass forms. When that happens, the tribe will see itself as a tribe and embrace you as the leader. This is Tribal Leadership in a nutshell."*

Citing a continuing thread of bad news about organizations that are underperforming. Logan notes that organizations are under assault. *"If the goal of any leader is to make the organization more effective, then he needs to move the organizational culture forward from where it now is. Past attempts have often focused on strategy. But culture eats strategy for breakfast."* Simply said, a leader cannot effectively implement a strategy that is inconsistent with the organizational culture. At best, it will be confusing; at worst, disastrous. This approach is different than regular approaches to organizational effectiveness, and it explains why most change initiatives fail.

In this *Management Forum Series* presentation, Logan focuses on:

- Assessing your organization's performance
- Improving the effectiveness of your culture
- Taking the first critical steps in building a higher level culture
- Identifying shared values in your organization
- And building upon shared values to build a world-class culture capable of innovation and performance in any market.

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## Leadership, Values And Culture

All organizations of more than just a few members are, in reality, tribes; i.e., naturally occurring groups that don't necessarily cross organizational lines. And all tribes are led by formal and informal leaders who may at times find themselves facing issues and assignments that are “over their heads.” While non-leaders respond by rejecting the role, or asking around until they find someone else to do it, leaders step up. Why do they do that, and why don't non-leaders? What lights the fire of leaders?

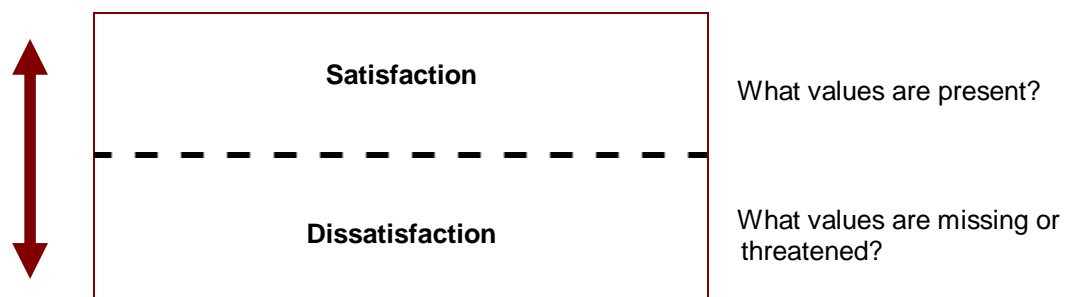
- self confidence
- being empowered to do it
- a desire for survival
- passion about the work
- a sense of work ethic
- team membership
- other values

This last reason – values – *“is the key to building strong culturally-oriented teams.”* Think of leadership values as a bank of lights. They may be covered over with dust (the residue of political battles, lack of integrity, a fascination with strategy to the exclusion of the company's inner relationships, a fixation on short-term profits) to the extent that you can't tell if they're turned on. But when these values are allowed to shine, they connect and propel effective leaders and teams. As the old saying goes: every good boss leads by teaching values, more often by what he does than by what he says. Conversely, bad bosses teach values by showing what not to be.

*“What offends us is an offense to our values.”* The world's truly great leaders – Mahatma Gandhi, Martin Luther King, Nelson Mandela – built their humanity-changing leadership through actions that were spurred by offenses to their values. Their campaigns were sparked by the injustices that all of them witnessed.

What about you? When you think of your most powerful development opportunity, who, more than anyone, made you the leader you are today? What did he/she teach you? Did it have to do with values? And what are the positive values you hope to pass along? How do you hope you'll be remembered as a leader, and what don't you want to hear? Driving organizational success on a foundation of values is the hardest, yet most effective way to ensure organizational success.

You'll find that levels of satisfaction in an organization are closely tied to values. So are profits.



Logan tells about Gordon Binder, CEO at Amgen, a company at one point focused on not “becoming a dumb, slow dinosaur.” Binder and his leaders determined that Amgen should be founded on and guided

by values. The approach was: hire for values, train for skill. Years later, Binder was disturbed when he found that a very high-level executive, recently hired, had been fired by the leader of HR without Binder having been consulted. When he confronted the HR chief, he found that the fired executive had lied on his résumé. Because lying was in direct contradiction to Amgen’s values, Binder quickly cooled down and supported the firing. He knew that in reality, the CEO is not in charge of the company. The values are.

When the cultural core (which goes to the center of the earth) and the desired professional stage are not in synch, burnout is inevitable. But when they are in synch and overlaid, they create unparalleled passion and drive for everyone in the organization.

## Determining core values

An organization can’t be built on a foundation that is not ready for development. If the core value isn’t in alignment, and if the organization is not at a stage where it is ready to respond, the initiatives will fail. Therefore, an understanding of an organization’s core values is critical. *“Any leadership action that ignores or does not emphasize core values is doomed.”*

Notice the value and cultural differences evidenced by which words one chooses to emphasize in the following:

“I like the **uncertainty** of **my job**, especially when it involves a lot of **money**.”

What could you surmise about the core values of a person or organization that selects “uncertainty?” “My job?” “Money?” In fact, these are, at best, values, and not core values. The key is to get to the values, below which, there is nothing.

Many leaders find that asking the right open-ended question, and then drilling down, is a key tool to determining an individual’s core values.

- “Why?”
- “Tell me more about . . . “
- “What are some of the things you . . . “

The idea is to continue clicking down until you can no longer click. When you’ve clicked down to where there is no answer, you’ve reached a core value. In other words, a core value leads back to itself. *“A core value is important because it is.”*

Many people are eager to talk about their values, but not everyone. Some find it uncomfortable and too intimate, so take it one step at a time. Wait for a coachable moment. Think organic, not plastic. And when talking with people who may not like their job, consider starting with a negative. “What ticks you off?” You will probably find them willing to talk, especially those in Stages One through Three. (See the following pages.) A strong leader will note what people say about the culture, and also the structure of internal relationships.

If a leader finds that people in his organization do not share the organization’s values, it is in everybody’s best interest to sever the relationships. (By the same token, if a person finds that his values aren’t shared in the organization, he should consider moving on. Everything must fit.)

Griffin Hospital in Derby, Connecticut, an institution that *“has drawn international attention as not only a great hospital but a great employer – ranking fourth on the Fortune list of the best places to work in its seventh year on that list.”* However, twenty years ago Griffin had the oldest physical plant in the state,

and carried the dubious distinction of being not only the worst place to work, but also the least-desired place for community members to go for medical care. In a formal survey of the community, more than 30% stated that they would avoid Griffin.

But this situation turned around when the CEO (Tribal Leader) drilled down. Talking with staff, owners, and community members, he was startled to discover that all of the groups shared the same core values. Building on these values, he “nudged” a turnaround by building it on a key aspect of the culture: a deep desire to remain independent and to rebuild itself by putting the patients first.

*“One operation at a time – Griffin executives focused the staff on a problem and facilitated their finding the solution. The challenge was to involve the staff as partners in the same way that the executives and board members were collaborating. The chatter at the hospital began to turn toward quality service, respect, and dignity – now the pillars of Griffin’s core values.”* Griffin is a great example of a core truth: *“Developing the culture eats strategy for breakfast.”* Had the leaders at Griffin focused instead on selling the hospital, or bringing in leadership initiatives, or any other strategic proposal, the hospital’s renaissance would have been highly unlikely. As Warren Bennis says *“Leadership is the management of meaning.”* Therefore, a shift in values or culture cannot be arbitrarily laid on an organization.

Stories can be a powerful way to promote shifts in values as well as organizational change. Leaders tell stories, and in them, people will hear the leader’s values. *“We don’t care about a leader’s background and education - - but we do care about his stories.”* Why so?

- They’re personal.
- They highlight the contributions of another person to you.
- They deliver resonant value.
- They trigger others to tell their stories.
- They touch the heart.
- They’re memorable. They “stick.”

Studies by Logan and his colleagues show that organizations fit into one of five cultural stages, each of them with distinctive characteristics. One of the roles of an effective leader is to move his organization from the stage it is in to the next higher stage, and so on. But since groups can hear only one level above or below their own stage, it’s critical to know which stage a culture is in. *“If you treat the wrong type, you’ll make things worse. The actions must be specific to the culture.”*

The following sections look at each of the stages keeping in mind that:

- **Cultures are changed by the movement of individuals within the culture**
- **The “coin of the realm” in culture change is values**
- **A culture and a person in the culture can move just one stage at a time.**
- **“You are only as smart and capable as your tribe. By upgrading your tribe, you multiply the results of your efforts.”**

## **Stage One: On The Verge Of A Meltdown**

In Stage One, life stinks. People at this stage – prison gangs come to mind – do whatever is required to stay alive. In this arena, it’s dangerous to have values.

*“Most people talk as though they are alienated from organizational concerns. When they cluster together, they form isolated gangs that operate by their own rules, often based on absolute loyalty to the group. Many people are socially alienated, never talking to anyone. The theme of their words is that life has given them a bad deal, so it’s okay to do whatever it takes to survive. There may be acts of violence, such as fistfights or extreme verbal abuse. Minor acts of theft or vandalism are a problem.”*

Alienated “life stinks” people are those most likely to “go postal.” And they are those most resistant to the lofty goals of Stage Five. Instead, an effective leadership action might be to coach the person into moving to Stage Two. For a teenager, it might be joining a Boys & Girls Club. For a socially isolated employee, it might be connecting with another employee.

Characteristic	Relation to Values	Mood	Theme	U.S. business cultures	Leverage Point
Flat-lined	Undermining	Despairing hostility	Life stinks	2%	Get a new team

**What holds groups at Stage One:**

- a feeling of being cut off from others, of not being invited, of being disowned
- appetites that turn into addictions
- a feeling that their uniqueness is not being recognized
- alienation to the point of being free to ignore their own values and act on any impulse
- hopelessness

**Using tribal leadership to move a Stage One person forward to Stage Two:**

- If the person is willing to move forward, encourage him to go where the action is: lunch with co-workers, meetings, etc.
- Encourage him to switch tribes by cutting ties with people who share “life sucks” language.
- If the person is unwilling to move forward, get rid of him.

## **Stage Two: Disconnected And Disengaged**

*In Stage Two, “People talk as though they are disconnected from organizational concerns, seeming to not care about what’s going on. They do the minimum to get by, showing almost no initiative or passion. They cluster together in groups that encourage passive-aggressive behavior (talking about how to get out of work, or how to shine the boss on) while telling people in charge that they are on board with organizational initiatives. The theme of their communication is that no amount of trying or effort will change their circumstances, and giving up is the only enlightened thing to do. From a managerial perspective, nothing seems to work – team building, training, even selective terminations appear to do nothing to change the prevailing mood. The culture is an endless well of unmet needs, gripes, disappointments, and repressed anger.”*

When the economy gets worse and uncertainty swells, leaders need to talk Stage Two. Very little work gets done, accompanied by almost no innovation. This is definitely not a time to introduce Stage Five. (What would be the reaction of a Stage Two person who was tossed a Stage Five intervention?) Stage Two is a time of disconnection. It is a cultural issue, not a people issue.

Characteristic	Relation to Values	Mood	Theme	U.S. business cultures	Leverage Point
Working hard, but getting almost no traction	Ineffective	Passive. Apathetic victim	My life stinks (because of something)	25%	Work extensively with those who want things to be different

**What holds groups at Stage Two:**

- A belief that the boss is evil so his personal credibility is meaningless.
- A deflection of advice from any other stage
- Misery loves company
- Conspiracy theories
- There is comedic value; people laugh
- A Stage 3 manager who reinforces Stage 2
- “We tried that before. It didn’t work then and it won’t work now”

**Using tribal leadership to move a Stage Two person forward to Stage Three:**

- Encourage her to make a friend connection, then another connection
- Show her how her work makes an impact
- Mentor people to accomplish specific goals. Assign projects that can be done well in a short time
- *“Work on upgrading the culture. As it moves from Stage Two to Stage Three, the conspiracies disappear on their own.”*
- Avoid the siren’s song of joining in with the complainers
- Of the people currently at Stage Two, 60-70% of them are open to moving to Stage Three. Work with these people, and don’t try to move the intractable others.
- Deal with the culture at work, not offsite. This is definitely not a whitewater rafting moment. Don’t come in and preach values because people at this stage won’t hear you.
- Talk the language of Stage Three
- Connect the Stage Two person to a late Stage Three person who is seen to “have the back” of the Stage Two person

## **Stage Three: The Wild, Wild West**

*“The essence of Stage Three is ‘I’m great.’ Unstated and lurking in the background is ‘and you’re not.’”* In this group, people feel that they’re putting more in than they’re getting out. The unspoken mantra is, “What have you done for me lately?”

Stage Three people are characterized by an absolute focus on themselves, coupled with an absolute inability to hear that they are focused on themselves. They are often found in sales, religious, healthcare, law and public service organizations. *“This is also how we train people in MBA programs. It is dyadic,*

but also ineffective.” Some individual work gets done, but not a lot of team work. This group has a high potential for political actions.

In Stage Three, *“People engage in anything that’s going on, with energy and commitment, but when you listen closely, they talk mostly about themselves and focus on appearing smarter and better than others. They think they’re focused on team concerns, but their actions show their interest is personal. People tend to form two-person relationships, so if they manage a group of ten, they have ten relationships. They rarely bring people together, they resist sharing information except when it’s necessary, and they pride themselves on being better informed than others. Winning is all that matters, and winning is personal. People at this stage complain that they don’t have enough time or support and that the people around them aren’t as competent or as committed as they are.”*

Characteristic	Relation to Values	Mood	Theme	U.S. business cultures	Leverage Point
Working hard, getting some results	Useful	Lone warrior	I’m great (and you’re not)	48%	Click down to shared values and build multi-person projects.

**What holds groups at Stage Three:**

- The people who’ve formed a series of dyadic two-person relationships and silos.
- A culture that supports informational hoarding, and relies on spies and gossip for political information.
- Heavy use of “I” language that shows “I’m greater than other people.” Obsession with self.
- Tying personal identity to accomplishments. Addiction to results.
- Hunger for efficiency tips, tools, and techniques as well as turf protection.
- Intense focus on time management.
- Focus on “my” values rather than “our” values.

**Using tribal leadership to move a Stage Three person forward to Stage Four:**

- Find shared values. Values trump talent, so click down to values and move forward using them. “I’ve listened and it seems your values are . . .”
- Build cross-functional teams and triad relationships that emphasize “we” rather than “I.” This includes “we” language. “I am because we are.”
- Encourage work on a project bigger than he/she can do alone.
- Point out that success at the next level (Stage Four) will require a different style, one that comes from working in a group. Coach him that real power comes from networks, not knowledge, and that he can’t do it alone no matter how smart and talented he is.
- Teach him that Stage Three has no legacy and that to win at that stage is to win small.
- Encourage him to over-communicate and be transparent.
- Guide him in having an Epiphany; i.e., he hasn’t achieved what he thought; his victories are personal, not tribal; winning on a personal basis is self-defeating; power is abundant, and the more you give to others, the more you get back; the only real goal is the betterment of the Tribe.

## Stage Four: Establishing Tribal Leadership

In a word, Stage Four is characterized by networking; specifically, by triads (three-or-more person relationships) in which each person has responsibility for building and maintaining the relationships. *“Each leg of the triangular structure is responsible for the quality of the relationship between the other two parts.”* Therefore, the loss of one person is unlikely to cause a loss of productivity. (Note that Stage Four has a direct impact on production. Stage Four organizations out-perform Stage Three.)

The members of the triad may be individuals who form the nucleus of a Tribe, or they may be teams or even ideas. Logan refers to Planetree, a company that has at its core a model of bringing together *“everyone involved with care so that the patient feels informed and involved in medical developments and is treated like a whole human being.”* On page two, we talked about Griffin Community Hospital. Does it surprise you that Griffin saw its ideal partner in Planetree? Stage Four organizations frequently triad in innovation.

Most professionals are familiar with LinkedIn, another triading mechanism. A LinkedIn member connects to an unknown member by triading through a member known to both of them. This is Stage Four behavior.

Truly effective Stage Four leaders are often known to be mavens; i.e., ultra-skilled at connecting other people. Darla Longo of CB Richard Ellis, the commercial real estate firm, is one of these. During the annual business party, she *“doesn’t promote herself, talk about her accomplishments, or say ‘I’, ‘me,’ or ‘my’ other than to say, ‘I’d like you to meet . . .’ Longo plays matchmaker. She introduces clients to brokers, senior brokers to successful rookies, and clients to one another. She always has at least two people around her, talking to both of them at the same time even if they don’t know each other, and she uses her words to build or deepen the relationship between the other two people. If we listen to her words, she’s letting each person know why it is such a good idea for these two to meet each other. And far more important, she’s discussing what makes each person great as a person – his or her core values.”*

A good Stage Four discussion might be, “What makes us great?” This might be a desire for excellence, or a desire to learn. When a new person enters a Stage Four culture, he/she is likely to be introduced to the rest of the team – connecting with long-time employees, the manager, and even matrixed relationships – before being introduced to the work.

In Stage Four, *“Teams are the norm, focused on shared values and a common purpose. Information moves freely throughout the group. People’s relationships are built on shared values. They tend to ask ‘what’s the next right thing to do?’ and to build ad hoc partnerships to accomplish what’s important at the moment. Their language focuses on “we”, not “me.” If two people get in a squabble, a third will step in and repair the relationship rather than create a personal following for himself. Unlike Stage Two, the group is composed of people who have played the Stage Three game and won – and are ready for genuine partnerships.”*

The push for group inclusion in Stage Four leads to some interesting and sometimes humorous language. Margaret Thatcher, for instance, is quoted as saying: “we are a grandmother.” And Bill Clinton noted, “when we were president . . .”

Characteristic	Relation to Values	Mood	Theme	U.S. business cultures	Leverage Point
Triads. Winning by working with others	Important	Tribal pride	We're great (partnership) (we vs. they)	22%	Go for history-making projects

**What holds groups at Stage Four:**

- In reality, a Stage Three group that just uses “we” instead of “I.”
- Disconnects caused by value statements written by a few people using conventional words (empowerment, world-view, meet and exceed expectations, etc.) without the involvement of the rest of the organization.
- A leader who attempts to initiate Stage Four without having gone through Stage Three, thus being unknown (lacking credibility) for some area of expertise.

**Using tribal leadership to move a Stage Four person forward to Stage Five:**

- Encourage the person to find a market opportunity. This might even include unifying all the competitors in your industry.
- Use the tribe to provide avenues to moving up.
- Engineer disruptive technology to change the game in your field.
- Have meetings and drive projects with at least three, not two, principals. Introduce people together on the basis of current projects and shared values.
- Recruit others to the tribe who share the values of the group’s strategy.

## **Stage Five: Toward Vital Work Communities**

These are the people who are focused purely on values. Values are their only compass.

*“Stage Five tribes hardly ever refer to the competition, except to not how remarkable their own culture is by comparison, and how far their results outstrip industry norms. The theme of communication is limitless potential, bounded only by imagination and group commitment. People in this culture can find a way to work with almost anyone, provided their commitment to values is at the same intensity as their own. Unlike Stage Four, the focus isn’t on “our values” but on resonant values. There is almost no fear, stress, or workplace conflict. People talk as though the world is watching them, which may well be the case, as their results are making history.*

*“All of the stages require alignment between the group and its leader. This is particularly true of Stage Five which is all about values.”* Therefore, when a group leader – perhaps fresh from an off-site session with a leadership guru – tries to quickly implement his new-found ideals in a group that isn’t ready for a purely values focus, the mismatch will have serious negative consequences. (H. L. Mencken: *“For every complicated problem there is a solution which is simple, neat and wrong.”*)

In working with a Stage Five team, an effective presentation template might include:

1. The outcomes we picked are:
2. The values that will drive these outcomes are:
3. Our key assets are:
4. Our key behaviors are:
5. I/we believe we have the assets and behaviors to achieve the outcomes, which again are:

Characteristic	Relation to Values	Mood	Theme	U.S. business cultures	Leverage Point
Over the moon	Vital	Innocent wonderment	Life is great	2%	

**Using tribal leadership to maintain Stage Five:**

- Support the belief that every person can be very valuable if he will recognize and use his strengths.
- Attract people to the organization who are driven by mission and purpose.
- Encourage networking with people at Stage Four to bring them along.
- Have “making history” as the goal and guiding principle.

## Wrap Up And Recap

*“The people who use the stage-specific leverage points to upgrade the tribal culture emerge as Tribal Leaders. Such individuals do a lot of work on themselves as they make changes in the tribe:*

- *Learning the language and customs of all five cultural stages.*
- *Listening for which tribal members speak which language – in essence, who is at what stage?*
- *Moving themselves forward so that their own ‘center of gravity’ is at least Stage Four.*
- *Building a support network so that they remain stable at Stage Four.*
- *Taking these actions as they upgraded the tribe around them. As a person builds the tribe to Stage Four, she is recognized as the Tribal Leader. This gives her the ability to bring the group to higher levels of success.”*

A Tribal Leader listens to how people talk and uses the appropriate stage of intervention. He has to support the moment of truth, and do the right thing for his culture. In doing so, he reaps abundant benefits:

- Unparalleled loyalty
- High performance
- Productivity and profitability
- Career advancement for self and others
- Pioneering “best practices”
- True leadership

A culture, as well as a person in the culture, can move just one stage at a time. Don't try to force it because it won't work.